

**Comments to the Federal Communications Commission
From the National Consumers League
In the matter of
CC Docket 96-45, WC Docket 03-109**

**PETITIONS CONCERNING ELIGIBLE TELECOMMUNICATIONS DESIGNATIONS
AND THE LIFELINE AND LINK-UP UNIVERSAL SERVICE SUPPORT MECHANISM**

September 17, 2004

The National Consumers League (NCL), America's pioneer consumer organization, was founded in 1899 to identify, represent, and advance the economic and social interests of consumers and workers. Since its inception, NCL has worked to ensure that all Americans have access to quality goods and services at affordable prices. NCL is especially concerned about how low-income consumers fare in our evolving, increasingly high-tech marketplace. NCL filed in support of the petition by TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier (ETC) in the states of Virginia and Florida, CC Docket 96-45. Here NCL reiterates that support and urges that the FCC not only approve that petition for regulatory forbearance and ETC designation, but also to consider establishment of separate eligibility requirements and procedures for ETC designation for those carriers seeking only to participate in Lifeline that would be open to all carriers willing to serve the Lifeline population, whether wireline or wireless, facilities based or reseller.

As NCL stated in its previous comments, wireless telephone service is becoming an essential part of modern life. More and more people depend on wireless service to keep in touch with their children, their jobs, their health care providers, and others. For many people, wireless service supplements their wireline service at home. But for low-income consumers struggling to pay their monthly bills for wireline service, wireless service may be unaffordable. And for low-income people who, because they have had serious credit problems in the past or have no fixed address, do not even have wireline service, traditional wireless service plans are not feasible. With pay phones becoming harder to find, it is difficult for these people to communicate to others, and for others to communicate to them. Furthermore, pay phones do not offer features that we all rely on today, such as voice and text messaging. In addition, pay phone calls can be expensive.

Prepaid wireless service is a good option for low-income consumers because there are no long-term contracts, no credit checks, and no early termination penalties or late payment fees. With prepaid service, people pay only for the service that they can afford. The proposal by TracFone Wireless, Inc. to offer Lifeline prepaid service would undoubtedly enable more low-income people to afford wireless service. That service would be comparable to that which higher-income consumers enjoy, with voice mail and other essential features.

NCL believes that this proposal would help to fulfill an important social imperative – ensuring that all Americans are able to communicate by telephone. Consumers are not concerned with whether the telephone service they receive is through resellers or facilities-based providers, as long as the quality is good and the price is reasonable and affordable. TracFone Wireless, Inc. provides good-quality service and is proposing to offer it to Lifeline-qualified customers at a price that most should easily be able to afford.

The Federal Communications Commission should embrace this innovative proposal and approve the company's petition for ETC status and forbearance. In addition, the FCC should strongly consider establishing a separate set of criteria and process for ETC status for carriers that seek only to serve Lifeline customers. The current requirements for ETC status are based largely on the High Cost Fund and are often a barrier for those carriers seeking to serve the Lifeline population. All carriers that are able to meet the service obligations of Lifeline should be able to serve Lifeline customers so that low income Americans can have the same access to wireless and competitive services as do other consumers.

Respectfully submitted,

A handwritten signature in cursive script that reads "Susan Grant".

Susan Grant
Vice President, Public Policy
National Consumers League
1701 K Street NW, Suite 1200
Washington, DC 20006
(202) 835-3323